

Millennium Challenge Corporation



LESOTHO

Lesotho was selected to participate in Millennium Challenge Account program in fiscal years 2004-2006.



General Information:

Population: 1,808,848

Location: Southern Africa, an enclave of South Africa

Capital City: Maseru

Relative Size: slightly smaller than Maryland

Economic Statistics:

GNI Per Capita: \$740

Gross Domestic Product: \$1.4 billion

GDP Growth Rate: 3%

Update on Progress

- Lesotho is currently developing a revised proposal for submission to the Millennium Challenge Corporation.
- In June 2005, MCC made available up to US\$1.39 million to assist the Government of Lesotho with Compact development in several areas: policy reform, baseline data collection and technical preparatory work in the water sector. MCC is providing technical assistance to the Government of Lesotho to develop the policy reform programs to be considered for inclusion in a Compact.
- Lesotho has proposed a broad range of policy reform initiatives to be included in a Compact. Through consultations with stakeholders from non-governmental organizations (NGOs), civil society, the public and private sectors, the Government of Lesotho identified the need to strengthen the country's civil legal sector, enhance the capacity of private sector businesses (small, medium and micro enterprises) and improve upon current policies surrounding land title. Reforms in these areas will likely enhance the business and investment climate in Lesotho and remove many of the key impediments to sustained economic growth.